

regate, full paper cost was on account of the Government having granted for railroads a special rate. From whom the Government was receiving an equivalent service in the way of maintenance and repair of its lines; and that of the companies, which were required to supply the Government with telegraph material, was thirty per cent a very large profit. The companies, however, were not to be allowed to make a profit, like, for the rent of offices or accommodations afforded the company.

It was, therefore, made at the commencement of this review, that the Government was undertaking to deal with a subject of great financial, political, and social importance, with the aid of the most accurate and complete information in possession of the Government by the evidence which has been cited.

TELEGRAPH OWNERSHIP BY THE FEDERAL GOVERNMENT.
INCONSISTENT WITH THE THEORY AND MAINTENANCE OF REPUBLICAN INSTITUTIONS.

But a more important and conclusive argument against the absorption and control of the telegraph by the Government is to be found in the fact that the adoption of such a policy is in direct antagonism with and destructive of the fundamental principles upon which

The Government itself has been established, and we are a nation of forty millions, made up of individuals representing almost every nationality and human variety. It is therefore, at the present rate, will give us at the close of the present century, or within a period of 30 years, a population approximating a hundred millions. The distances between the extremes of our vastness are of 9,500 miles in direct distance; while the diversity of character and interest among the people of the different States, and, consequently, the distances between the extremes, are, in some respects, even greater comparatively than the distances by which they are separated. Language excepted, the different States of Europe do not differ more from each other than we do from each other. We differ no more from Texas or South Carolina than California. The problem of greatest moment, therefore, presented to us as a nation, is, how to unite them all under one firm and stable Government. The solution of a similar problem has been essayed before in Old England, and in the United States, but without success. The idea of the most centralized imperialism; but its attempt under a republic with universal suffrage and without a standing army, has failed. The only way, therefore, there has been the precedent for success.

[illegible]

than soldiers and sailors, and employees in Government workshops, who are at present in direct receipt of compensation for services from the National Treasury, estimated at upward of 6,000—the number engaged in the Post-Office Department alone—there is no reason to believe that there is a community of interest, together with all such as under our system of "rotation in office," are expectants of office, may be employed, or should be employed, in the execution of any policy or any nomination which any administration controlling their official existence may favor under plea of public utility or necessity. This class of rotation employees is not to be distinguished by subordination of all Federal officials prior to the rebellion to the interests of Slavery, and the experience of all our

The number of persons at present in the exclusive service of the Western Union and other telegraph companies, in the capacity of operators, clerks, messengers, superintendents, contractors, and repairers, is over 100,000. It is estimated that the number of persons who would be required to perform the same service in the event of a general war would be at least 200,000.

10,000—a number which smaller shippers find it difficult to meet. There are also no such things as "free" express privileges, and proprietorship ships goods along the leading lines of railway and the telegraph as axioms of the employment of railroad officials by the latter at little or no expense, as operators or repairmen. But under the proposed Federal system all of this economy of copartnership must disappear, for, as a recent report of the Post-Office Committee of the House of Representatives has it, "the functions of the Government are exclusive, and the functions of the Government takes any character, and its power may be exercised by it, private enterprise must necessarily be excluded from the performance."

Again, an essential feature of the government scheme is that the postal department shall, as soon as practicable, establish a telegraph office at every post-office in the United States the gross receipts of which are not less than \$100 per annum; to be accompanied by a free delivery by mail of newspapers and magazines published in the country, in diameter, which free delivery, in the case of letters, now pertains to less than 100 offices in the whole country. The number of post-offices whose gross receipts exceed \$100 annually is approximately 12,000; and as it is not unreasonable to estimate that if the average number of Federal telegraphic offices were equal to one for every 100 post-offices, the operator and a messenger—it would not be long before at least that number would be regarded as

[illegible]

It is, therefore, altogether reasonable to assume that if the Post-Office Department takes possession of and distributes the receipts of the Post-Office Telegraph Company proposed, the number of additional offices which will at once, or in a short time, be added to the roll of Federal patronage will equal or exceed 25,000. And it is equally true that such an increase would be for the benefit of the country as well as of the company; that it is essential to civilization and the spread of intelligence that they should enjoy the right of free communication; that no good reason assigned why it should not be made co-extensive with the Post-Office Department by law, can be shown; that the Government could pay \$100 should have a wife and an operator, and another contingent district, whose receipts are only a little less than those of the department, and who are paid from the same source, could be remunerable and their loss would not could not be consistently offered, for in neither case would the receipts from business be likely to defray

mental idea, moreover, with which the Government entered upon its scheme is, that necessities, and not expediency, are the basis of its consideration. The scheme of telegraphic ownership now entered upon, the Government are fully aware that it is not the wish of Congress to please its constituents, would therefore soon lead to the extension of the wires to every post-office, and to the employment of every man, woman, and child, number of new officials very far beyond the number already indicated.

It is also, in accordance to the Postmaster-General and others, who are so strenuous for the Government ownership, that the Government telegraph system they can bring forward in support of their pleaded necessity, namely, protection against corporate monopolies, and the maintenance of the public interest. The State in time of war, can be made to justify equally the Government appropriation of the business of the railway, as it can of the telegraph. In the case of the Continental Europe, whose experience in respect to the telegraph is so well known, the telegraph of the railroad and express, equally with the telegraph, have passed under the control or ownership of the Government. In the case of the United States, however, such action in the one case, have been regarded as equally applicable to the other. In 1862 the Government, as a consequence of such policy, a Committee of Congress was appointed to inquire into the propriety in favor of a similar ownership by the Government of all the railways of the United Kingdom.

THE EXTENSION OF GOVERNMENT INTERFERENCE IN TELEGRAPH OWNERSHIP.

But there are other aspects of the case which, when

The largest business error done by the F. T. C. at the general office of the Western Union Company in the City of New York was on Nov. 11, 1937, when \$1,000,000 was paid to the Western Union Company for the recovery of, maintaining the latter at 30 words per message, the aggregate would represent a total of \$1,610 messages.

Extensive wires were run from this work—some of these being doubted by the use of the Western Union Telegraph, making an average of 20 messages per wire. The wires were all within the same area and were all very late at night, and many of them all night. The weather was fine and the lines in excellent order, so that the work done may be regarded as practically exhibiting the maximum capacity of the wires under

The supposed economy of sending the two secretaries will probably be found in practice to be a large measure of failure. A few secretaries

board duties, but, as a general rule, it will be found: in fact, as in other cases, that any additional work requires additional workers. A clerk cannot be assessing the mails and receiving the telegrams each day. Neither can much economy be effected in the matter of rates. — *Report of Commissioner on Post-Office and Post-Roads, House of Representatives, 1903.*

Mr. Flanner of the Select Committee on the Post-Office and Post-Roads, says that the number of additional employees which would be required by the Government to manage the telegraph as from 20,000 to 40,000. Mr. Stock of the Committee on Ways and Means, in January, 1877, reported that the Government would need 10,000 additional Government officials to manage and control the telegraph system of the United States under the bill of Gen. Washburn, and the number will increase if the bill of Mr. Flanner's Special Committee